

Nos. 17,912, 17,913 and 17,914

IN THE

United States Court of Appeals

FOR THE NINTH CIRCUIT

See also Vol.

3192

No. 17,912

SPRAY REFRIGERATION COMPANY, INC., a California corporation,
Appellant,

vs.

SEA SPRAY FISHING, INC., a California corporation,

Appellee.

No. 17,913

SPRAY REFRIGERATION COMPANY, INC., a California corporation,
Appellant,

vs.

VAGABOND FISHING, INC., a California corporation,

Appellee.

No. 17,914

SPRAY REFRIGERATION COMPANY, INC., a California corporation,
Appellant,

vs.

COURAGEOUS FISHING CORP., INC., a California corporation,

Appellee.

BRIEF FOR DEFENDANTS-APPELLEES.

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JURISDICTION.

The jurisdiction is correctly set forth on pages 4 and 5 of Appellant's Opening Brief.

STATEMENT OF THE CASE.

Appellant's Opening Brief has correctly and succinctly set forth the statement of the case on pages 2, 3 and 4. It should only be noted that the appellees pre-

sented no evidence relative to the validity or invalidity of the patent in suit. Instead, appellees established that they had not used the patented method and that they would not use such method even if they were given a free license. Accordingly, the District Court did not rule on validity.

SUMMARY OF ARGUMENT.

Appellees contend that the District Court did not err in failing to find the patent in suit valid since it was within the discretion of the District Court to rule or not rule on validity.

As to the issue of infringement, appellees contend that it was well established at the trial that the apparatus of the accused vessels could be operated in a non-infringing manner, *i.e.*, such apparatus could be satisfactorily operated without building up a reverse layer of ice on the coils. Additionally, it was conclusively established at the trial that the appellees did not want to build up a reserve layer of ice on the coils because of certain important disadvantages connected therewith. Finally, the evidence conclusively established that the operators of the accused vessels had no need to create reserve refrigeration by building up ice on the coils since they obtained such reserve by other (and more satisfactory) means.

The burden of proving infringement was upon the appellant. Appellant completely failed to sustain this burden.

ARGUMENT.

The Issue of Validity.

In this case the appellees presented no evidence relating to the validity or invalidity of the patent. The appellees were so certain that the fact of their non-infringement would be established that they felt it unnecessary to expend the considerable amount of money required for establishing validity. Inasmuch as appellees chose this course, a saving of the Court's time of from one to two days was accomplished. If appellant's contention is correct that under these circumstances a District Court must rule on validity, it would follow that the defendants in patent infringement actions would always be required to spend the time, money and effort required to prove invalidity. Moreover, the Court in each patent infringement case would be required to expend the time necessary for establishing patent validity or invalidity.

A C. A. 1 case in point is *Hale v. General Motors Corporation*, 147 F. 2d 383, 64 U. S. P. Q. 343 (1945). In the *Hale* case, the District Court had found non-infringement, but made no findings and reached no conclusions on the issue of patent validity. The appeal court stated:

“Under these circumstances, and in view of the fact that at the trial below the principal emphasis was on the issue of infringement and the district court requested briefs and made findings on that

issue only, we feel that even though we may have power to declare the plaintiff's patent invalid, in discretion we ought not to do so here. *Hazeltine Corp. v. Crosley*, 130 F.2d 344, 349 (54 USPQ 435, 439); *Landis Machinery Co. v. Chaso Tool Co., Inc.*, 141 F. 2d 800, 805 (61 USPQ 164, 169-170)."

It should also be noted that the Supreme Court in *Altwater v. Freeman*, 319 U. S. 359, 363 said:

"To hold a patent valid if it is not infringed is to decide a hypothetical case".

On the basis of the two decisions above, appellees submit that it was not error for the District Court here to not find the patent in suit valid since it was within the discretion of the District Court to rule or not to rule on validity.

THE ISSUE OF INFRINGEMENT.

I.

The Apparatus of the Accused Vessels Could Be Operated in a Manner That Does Not Infringe.

There is no doubt but that the apparatus of the accused vessels could be operated in a manner that would infringe the patent in suit, *i.e.*, to build up a reserve layer of ice on the coils. On the other hand, it is also true, as admitted by plaintiff's witnesses, that the apparatus of the accused vessels could be operated in such a manner *as to not infringe the patent* in suit, *i.e.*, without building up a reserve layer of ice. Thus, Malcolm L. Newell the inventor of the patent in suit testified as follows [R. 103]:

“Q. In your opinion, would it be possible to operate the type of apparatus shown in your patent to satisfactorily freeze fish without building up a reserve layer of ice on the refrigerating coils? A. Certainly, it could be done.”

Jack Kordich, a witness called by and on behalf of the plaintiff and an ex-engineer on the accused vessel VAGABOND, testified that when ice built up on the coils he removed it either by cutting down the refrigeration or adding salt to the circulating brine [R. 176]:

“A. If you build up ice accidentally, say I am sleeping and I got the spray system on and I am sleeping, during the night, twelve hours, if I am in my bunk, I don't look in the hatch, and when

I look in there, I see ice, so right away I don't want that ice and I will stop the refrigeration. I will stop the refrigeration or add salt, one of the two".

Harry Zeirlein, called as a witness by and on behalf of the plaintiff, testified that he was an engineer on the vessels NAUTILUS and SOUTHERN EXPLORER equipped with spray refrigeration systems of the type shown in the patent in suit. When asked if such spray refrigeration apparatus could be used without building up a reserve layer of ice on the coils he admitted two means were available to prevent such ice buildup [R. 201]:

"Q. Is there any way you could cut down your refrigeration so as to prevent this building up of ice? A. Yes, you could. Without the back pressure valve, you could cut it down.

Q. You could anyway? A. Yes.

Q. And also, if you add salt to the brine, couldn't you prevent the forming of ice on the coils? A. Yes, you could."

Even plaintiff's expert witness, William L. Holladay, admitted [R. 378]:

"Q. Your testimony is, though, that if you add salt to the sea water, you can circulate the sea water against the coils without forming ice?

A. If you add enough salt, yes, sir."

II.

The Operators of the Accused Vessels Did Not Wish to Build Up a Reserve of Ice on the Coils Because of Certain Inherent Disadvantages Connected Therewith.

Starting with plaintiff's witness Jack Kordich [R. 169, 170] :

“Q. When do you add salt to your spray that you spray over the coils? A. Well, at first you work it different. Usually when it starts forming ice on the coil, if you got fish in the hatch and it starts forming ice on the coil, you put salt in to cut the ice, because you don't want no ice to form on the coils, because that might stop the refrigeration.

The Court: You say you don't want any ice on the coils?

The Witness: No, because that ice stops my refrigeration. I would rather have the cold water hit my pipes. The pipes is colder than the ice. Because if you put a fish on the coil, it will freeze a fish, and you put the fish against the ice and it won't freeze it.”

Matthew Francievich, called as a witness by and on behalf of the plaintiff, and present engineer of the vessel SEA SPRAY, testified on this point [R. 188, 189] :

“Q. Will you tell it why it is you don't want to build ice on the coils, Mr. Franicevich? A. In my knowledge, I think the water would get cold more rapidly than it would with ice.”

Matt Simundich, master of the vessel SEA SPRAY, testified [R. 219, 220]:

“Q. You say you instructed the engineer to stop building reserve ice, is that correct?

A. Yes.

Q. What were your reasons in so instructing him? A. We discussed it. I talked with people whom I considered competent, the man that had done the refrigeration work on our boat, and other engineers off other vessels, I talked to a number of them, and they all told me exactly the same thing, just opposite of what Mr. Newell would be telling me, you know, to build this ice.

That if you have ice built up on your coils, a little bit, and you can get it up, okay, but if you have ice on a coil, you have insulated that coil, and the insulation does not allow the heat to be drawn out through the pipes of your mechanism, your refrigeration system, so what you are doing you are just insulating and you are cutting down your refrigeration.”

John Stanovich, captain of the accused vessel VAGA-BOND, testified that he did not want to build up ice on the coils because the presence of such ice would reduce the fish-carrying capacity of his vessel [R. 248]:

“Q. Have you ever experienced, after you started recirculating the brine, have you ever experienced this brine building up ice on the coils?

A. If I see ice building up on the coils, I immediately tell the chief to add salt, if possible, or to discontinue that practice. I do not like to see ice on the coils in the main hatch.

Q. Have the fish been chilled, through, by the time you put in the new additional salt or brine?

A. The water gets to about 32 or 31 degrees, something like that.

Q. Then they are chilled, aren't they? A. They are chilled. May I bring something else into this here, if I can, your Honor?

The Court: Go ahead.

The Witness: The reason we do this is because we have a small boat. We don't bring in too much fish and we don't make too much money. By doing this, I increase my capacity by at least 10 tons, and I figure there is 11 families on that boat and everybody makes a good living. That is why I do it."

Andrew Kuljis, Captain of the accused vessel COURAGEOUS corroborated Stanovich in stating that building ice on the coils reduced the fish-carrying capacity of a fishing vessel [R. 264]:

"Q. You didn't want him to build ice on the refrigeration coils, is that correct? A. Yes.

Q. Why did you tell him that? A. Well, I told him that because we had to carry more fish if we don't make ice."

The testimony of Stanovich and Kuljis was corroborated by Pete Andrich. Pete Andrich was formerly skipper of the fishing vessel SOUTHLAND. He has no interest in the outcome of this action and is certainly a disinterested witness. It should be noted that the SOUTHLAND was licensed under the patent in suit and actually paid royalties to plaintiff. Even

though the SOUTHLAND paid such royalties its skipper Pete Andrlich did not want ice built up on the coils as will be apparent by his following testimony [R. 288, 289]:

“Q. All right. Now, in using this spray refrigeration system, did ice build up on these coils that went through the hold when you sprayed?

A. Yes, ice did build up on the pipes, but that’s something, we had so much refrigeration and the efficiency of the refrigeration with spraying the water over the pipes would build up the ice, which we didn’t want, because that takes the place of fish. And we aren’t interested in carrying ice. We are interested in carrying a capacity of fish, which is our pay load.

Q. Did you do anything to try to prevent this ice buildup? A. Yes. We turned what we called our overhead coils, part of the side coils off, and after, I believe the second or third trip, I did take off coils off at the bottom of the hatch, which were directly on the bottom. I took out what we call eight-rungs, which is approximately 34 feet in length. Each run, they are 34 feet in length, so I took out those coils to stop building up ice, because I was building up too much. And when I took those out, of course, we were using salt which, of course, cuts the ice. But we did have to put in more salt all the time to keep the ice out. But we did turn off all the top coils, and what we call the side coils to keep from building this ice up.

Q. Then if this ice would build up, you did whatever you could to get rid of this ice. Is that your testimony? A. Yes.”

It should also be noted that Marko Radovic a witness called by and on behalf of the plaintiff corroborated the testimony of John Stanovich, Andrew Kuljis and Pete Andrich that building up the reserve ice on the coils reduced the fish-carrying capacity of a fishing vessel. Radovic was an ex-skipper of the accused vessel SEA SPRAY. He is now employed on another vessel and is therefore a disinterested witness. Radovic's testimony was as follows [R. 119, 120]:

“Q. You testified that you served on the JO ANN in 1957 and 1958. Were you instructed by Mr. Newell at that time as to how to run the JO ANN's refrigeration system so as to build up reserve ice on the coils? A. Well, I wasn't instructed. We talked a lot about it.

Q. You talked to Mr. Newell about it? A. Yes.

Q. Did you ever inform him as to your thoughts on the desirability of this building up ice? A. Yes. We talked about that also.

Q. Did you tell him you thought he shouldn't build up ice on the coils? A. Yes. It was my opinion that we were losing cargo space from the ice.”

The fact that the reserve ice would in fact occupy considerable cargo space was evidenced by Newell's testimony that the thickness of the ice on the coils approximated 12 inches [R. 32].

Antonio R. Montoya installed the spray refrigeration system on the accused vessel COURAGEOUS and was her ex-engineer. He is presently chief engineer aboard the fishing vessel WESTERN SKY and is a disinter-

ested witness. Montoya corroborated the testimony of Jack Kordich and Matt Simundich to the effect that the building up of ice on the coils would reduce the refrigerating efficiency of the system, as follows [R. 317]:

“Q. Do you know Mr. Newell? A. Who?

Q. Mr. Newell, Mike Newell. A. Yes, I know him.

Q. Have you ever discussed refrigeration with Mr. Newell? A. He has come to my boat and he called me and called to my attention that if I built any ice on my coils, and I said, ‘No, I don’t want to build no ice on the coils, because it insulates my refrigeration from the fish.’”

III.

The Evidence Conclusively Established That the Operators of the Accused Vessels Had No Need to Create Reserve Refrigeration by Building Up Ice on the Coils Since They Obtained Such Reserve by Other (and More Satisfactory) Means.

In the case of the vessels SEA SPRAY and VAGABOND, the reserve refrigeration was created by pre-chilling water in the brine tanks. When a large quantity of fish were boarded in a short period of time this prechilled water was transferred into the fish-receiving hold so as to obtain initial chilling of the freshly-caught fish.

Thus, Jack Kordich, plaintiff’s witness and an ex-engineer on the accused vessel VAGABOND testified as follows [R. 170, 171]:

“The Witness: I am talking now about the — we are talking about everything, and at first I

did, but I experimented and it was experimental — at first I had to build ice because I didn't know anything about it. It was the first boat I was on and I experimented. I found out they don't need no ice, and then I had brine tanks full of water. I got 3,000 4,000 gallons of water, and that water is down to 29, and as far as I am concerned, that is my reserve right there.

By Mr. Swain:

Q. Mr. Kordich, did I understand you to say you formed ice on the first boat or on the first trip? A. The first two trips I did. I was experimenting.

Q. The first two trips on the VAGABOND in 1960? A. Yes.

Q. Or 1961, rather. A. 1961, yes.

Q. You formed ice? A. I was experimenting so I was finding out I didn't need it.

Q. Why didn't you need it? A. Because I had a reserve in the brine tank, cold water."

The Kordich testimony was corroborated by John Stanovich, Captain of the accused vessel VAGABOND, Stanovich testifying as follows [R. 243]:

"Q. Did the VAGABOND utilize some form of reserve refrigeration? A. Yes. I was the one that — after I seen it operate by taking your cold water from the brine tank, the minute we had — the first catch we had when we went down, which to me seemed to work out a lot better than the ice was to take the fresh water out of that tank, add salt water, and chill this water down to as far as 28 degrees."

Stanovich further testified [R. 247]:

“The Witness: New brine from the brine tank is added. That water, like I told you, is around 27 degrees.

By Mr. Utecht:

Q. After you pump the cold brine from your brine is that what initially cools the fish? Is that the reserve refrigeration that you utilize on the VAGABOND? A. Definitely.”

With respect to the accused vessel SEA SPRAY, her master Matt Simundich testified as follows [R. 223]:

“Q. Does the SEA SPRAY, or after the SEA SPRAY no longer built ice on these coils, did you provide a reserve of refrigeration? A. Oh, yes. As long as we have a tank that has water in it, be it fresh or be it brine, sea water, and the refrigeration coils are turned on in that tank, immediately, if the system is running, we turn the refrigeration on and slowly chill the water, and we have cold water. At exactly what temperature, I don't know, but the chief tries to keep it just where it doesn't start freezing.”

The accused vessel COURAGEOUS creates a reserve refrigeration by virtue of its large mechanical refrigeration capacity. Because of such capacity it is not necessary for the COURAGEOUS to build reserve refrigeration by either building ice on the coils or by prechilling water in a brine tank. Thus, Antonio R. Montoya who installed the spray refrigeration system on the accused vessel COURAGEOUS testified that he had provided this vessel with sufficient mechanical refrigeration that no other reserve refrigeration was required [R. 333]:

“Q. When you designed the refrigeration system for the COURAGEOUS — A. That is correct.

Q. — did you feel you had enough refrigeration, 38 to 40 tons, that you didn't need any reserve refrigeration? A. Yes.

Mr. Utecht: That's all.

Recross-Examination

By Mr. Swain:

Q. Mr. Montoya, did you testify that your mechanical refrigeration is your reserve capacity?

A. Tell me that again?

Q. Did you testify that the mechanical refrigeration on the COURAGEOUS was your reserve capacity? A. Yes. That is where the ice machines work hard and that is where you get your refrigeration from.

Q. Well, how can your ordinary capacity be a reserve capacity? A. In that it is just by either a reserve, it is just the capacity of the ice machine of making ice, or cooling the water from a certain degree to another degree, to a lower degree in temperature.

Mr. Swain: Thank you.

Redirect Examination

By Mr. Utecht:

Q. Is what you mean then, Mr. Montoya, that you have enough ice machines there that the ice machines themselves are the reserve capacity? A. That is correct. If not, then we have to put in some more ice machines in order to do that.

Mr. Utecht: All right.”

It will be remembered that Malcolm Newell the inventor of the patent in suit installed his patented system on the fishing vessel JO ANN. The refrigeration capacity of the JO ANN was only 15 tons [R. 382, line 4], as compared with the 38 to 40 ton refrigeration capacity of the COURAGEOUS. It is no wonder that the COURAGEOUS did not require a reserve refrigeration by building up ice on its coils.

IV.

The Burden of Proving Infringement Was Upon the Plaintiff-Appellant and Appellant Completely Failed to Sustain This Burden.

It cannot be disputed but that the burden of proof of infringement rests upon the plaintiff. *Brooks et al. v. Jenkins et al.*, Fed. Cas. 1953; *Bene v. Jeantet*, 129 U. S. 638, 9 S. Ct. 428, 32 L. Ed. 803.

A. Evidence of Infringement by SEA SPRAY.

The only first-hand evidence presented by the appellant that ice was built up on the coils of the SEA SPRAY was that such build up took place on trips made before October 1959. The patent in suit did not issue until October 20, 1959, however. Accordingly, any building up of ice on the coils of the SEA SPRAY prior to that time would not amount to infringement.

The witnesses Franicevich and Simundich corroborated each other that after the trips prior to October 1959 when reserve ice was built up on the coils, this practice was discontinued because of the disadvantages inherent therewith.

The only testimony controverting that of Franicevich and Simundich was the testimony of plaintiff's expert

witness Holladay. Holladay's testimony consisted of an opinion that ice would have to be formed on the coils if the SEA SPRAY system were operated under certain conditions. Yet, it should be remembered that Holladay admitted that a system such as that utilized on the SEA SPRAY could be operated without building up ice on the coils. It should further be noted that Holladay admitted that he had never made a fishing trip on a vessel such as the accused SEA SPRAY [R. 390].

B. Evidence of Infringement by VAGABOND.

Defendant will stipulate that the system of the VAGABOND was initially operated in a manner to produce ice on the coils. This was done, however, only on one or two trips made in 1961. This building up of ice on the coils was in the nature of an experiment whereby the operators of the VAGABOND could make up their mind whether or not Newell's contentions regarding the advantages of building up ice were correct or incorrect. In fact, such experimentation took place at the suggestion of Newell, according to the testimony of Kordich [R. 242]:

“Q. Prior to this first experimental work had you heard of the Newell refrigerating system? A. Yes.

Q. Who had advised you as to that system? A. Well, I was — Mike had, and this happened —

Q. By Mike, you mean whom? A. Mike Newell, Mr. Newell. At that time I was working on the WESTERN MONARCH. That was my first experience with a spray system.

Q. And Mr. Newell had told you that it was desirable to build up ice on the refrigerating coils?

A. Yes. He told me it was a good practice to build up ice, and the skipper that was running the boat, I was on the wheel for him, and we both talked it over and thought it was a very good way of doing it at that time.

Q. After your first trial of the building up of reserve ice on the coils of the VAGABOND, did you continue to build up ice on subsequent trips?

A. No.”

The fact that the VAGABOND experimentally tried the Newell system at the urging of Newell was corroborated by Newell himself [R. 94] :

“Q. Mr. Newell, have you ever advised other boat owners or engineers how to practice your patented system? A. Yes, sir.

Q. In fact, you are quite proud of the system?

A. Certainly, sir.

Q. Did you advise any of the defendants or their employees how to practice your patented system? A. I did,”

Appellee VAGABOND submits that under these circumstances this experimental use is *de minimis* so far as infringement is concerned. The only way in which the Newell system could be tested was under actual fishing conditions. It could hardly be expected that the fish caught and returned to port under these circumstances would be thrown away. It would therefore be unfair to hold this limited use of the patented system an infringement giving rise to the payment of damages to the appellant. Certainly, an injunction against further infringement would be an idle act in view of the conclusive testimony by the operators of the VAGA-

BOND that they would not use the patented system in view of its inherent disadvantages.

A case in support of the position of appellee VAGABOND is *Chesterfield v. United States* decided by the Court of Claims of the United States December 5, 1958; 159 Fed. Supp. 371, 116 U. S. P. Q. 445. In the *Chesterfield* case the Court held:

“However, the evidence shows that a portion of the 422-19 alloy procured by the defendant was used only for testing and for experimental purposes, and there is no evidence that the remainder was used other than experimentally. Experimental use does not infringe. In a patent infringement case, District Judge Rifkind said:

The accused devices * * * can be eliminated from consideration for it affirmatively appeared without contradiction by the plaintiff, that defendant built that device only experimentally and that it has neither manufactured it for sale nor sold any. *Dugan v. Lear Avia, Inc.*, 55 F. Supp. 223, 229, 61 USPQ 404, 410 (1944).

This principle was applied earlier by District Judge Seymour, who said:

It is true that, if an infringing machine is made or used as an experiment merely, it does not infringe former patents. *Bonsack Mach. Co. v. Underwood*, 73 F. 206, 211 (1896).

The claims in suit, if valid, are not infringed by defendant's experimental use of the accused 422-19 alloy.”

Another decision to the same effect is *Dugan v. Lear Avia Inc.*, 55 Fed. Supp. 223, 61 U. S. P. Q. 405.

C. Evidence of Infringement by COURAGEOUS.

The only first-hand evidence produced by appellant to show infringement by the vessel COURAGEOUS was the testimony of the witness Aaboen. Aaboen was the engineer on the COURAGEOUS from Christmas 1960 until about 1961. Aaboen's testimony was directly controverted by that of the witnesses Kuljis, Banich, Montoya, Mihovil and Kusmanich. As has been set forth previously hereinabove, Kuljis the Captain of the COURAGEOUS and Montoya the Ex-engineer of the COURAGEOUS did not want to build ice because of the disadvantages inherent therewith. Additionally, the tremendous refrigeration capacity of the COURAGEOUS eliminated any need for reserve refrigeration created by building ice on the coils. The witnesses Banich, Mihovil and Kusmanich testified that they had never seen any ice formed on the coils during the time they served on the COURAGEOUS.

Appellee COURAGEOUS contends that the testimony of Aaboen cannot be believed in the face of the testimony of Kuljis, Banich, Montoya, Mihovil and Kusmanich, particularly since Aaboen was a biased witness. Thus, it will be noted that prior to the trial Aaboen was laid off from his employment on the COURAGEOUS. Thereafter he was employed as engineer on the JO ANN [R. 155, lines 12-20]. It should further be noted that the reason he was laid off from his employment on the COURAGEOUS was because of his inadequacy as an engineer. This was established by Aaboen at [R. 157]:

“Q. While you were engineer on the COURAGEOUS this last year, was there any difficulty

with the equipment breaking down? A. Yes, sir. We had quite a lot of difficulty with the machinery, yes, sir.

Q. Were you in charge of that machinery and was it your job to maintain that machinery properly? A. Yes, sir."

Kuljis the captain of the COURAGEOUS testified on this point [R. 268]:

"Q. The last trip made by the COURAGEOUS this year, did you have an engineer along in addition to Mr. Aaboen? A. Yes.

Q. And what was his name? A. Warren Blodgett.

Q. Why did you think it was necessary to bring along two engineers? A. Well, I didn't have too much confidence in this engineer I had.

Q. Did you fire Mr. Aaboen? A. I told him I wasn't going to hire him for the next tuna season."

On this same point it should be noted that Newell who had been engineer on the JO ANN for several years stepped down in order that Aaboen could assume this position. Newell further testified that it was his intent to go back on the JO ANN but not as an engineer, only as a wheelman [R. 336-337]:

"By Mr. Utecht:

Q. Mr. Newell, are you the engineer on the JO ANN?

The Court: At the present time?

Mr. Utecht: Yes.

The Witness: No, sir.

By Mr. Utecht:

Q. Previously, you were engineer, is that correct? A. Yes, sir.

Q. And when did you stop that employment? A. I had stopped that employment just a few weeks ago as I had too much legal work to do in preparation for this trial, so that I could not faithfully fulfill my duties as an engineer and fulfill my obligations to the JO ANN.

Q. Are you going back on the JO ANN as engineer when this trial is over? A. I am not sure whether I am going to go back as engineer or as —my intent is to go back on the boat, yes, but I don't know whether it will be as an engineer.

Q. What other job would it be? A. I might go as wheelman.”

In the light of the undisputed facts set forth above it would not appear logical that Aaboen could be other than biased when he testified that ice had been built up on the coils of the COURAGEOUS. Here was a man whose inadequacy as an engineer on the COURAGEOUS made it necessary to take along a second engineer on his last trip. Thereafter, he was laid off as engineer on the COURAGEOUS and almost immediately was made engineer on the JO ANN, Newell conveniently stepping down as engineer on the JO ANN in order that Aaboen could assume this position.

The only other testimony presented by appellant that ice was built up on the coils of the COURAGEOUS was the opinion testimony of appellant's expert witness

Holladay. As noted above, Holladay had admitted that a system such as that utilized on the COURAGEOUS could be operated without building up ice on the coils. Holladay further admitted that he had never made a fishing trip on a vessel such as the accused.

Conclusion.

The law is clear that it was within the discretion of the District Court to rule or not rule on validity. Accordingly, it was not error for the Court to decline a ruling on the validity of the patent in suit.

With respect to infringement, the evidence is uncontroverted that the apparatus of the accused vessels could be operated in a non-infringing manner. It was also established that the appellees did not want to use the patented system because of the inherent disadvantages connected therewith. It was also established that the operators of the accused vessels had no need to create reserve refrigeration since they obtained such reserve by other and more satisfactory means.

The burden of proving infringement was upon the appellant. But, appellant completely failed to sustain this burden. Instead, the evidence was conclusive that ice was not built up on the coils on either the SEA SPRAY or the COURAGEOUS after the issuance of the patent in suit. It was admitted that the VAGABOND on one or two occasions experimentally used the patented system and thereafter discontinued such

use because of the disadvantages connected therewith. Such experimental use by the VAGABOND was at the urging of the inventor Newell and it would appear only equitable to hold that Newell had granted the VAGABOND an implied license to use his patented system in an experimental manner. In any event any infringement under these circumstances would be *de minimis*.

Dated, Long Beach, California, March 14, 1963.

Respectfully submitted,

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Certificate of Counsel.

I certify that, in connection with the preparation of this brief, I have examined Rules 18 and 19 of the United States Court of Appeals for the Ninth Circuit, and that, in my opinion, the foregoing brief is in full compliance with those rules.

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